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**1984 ILLINOIS
LAWS-REGULATIONS
for
AUTO DEALERS**

This booklet will help Illinois citizens understand the requirements to be an automobile dealer in Illinois. It also details the regulations pertaining to dealerships that are enforced by the Secretary of State's office.

The regulations are intended to insure that automobile dealers operate in a professional and businesslike manner.

JIM EDGAR
Secretary of State

**DEALERS ESTABLISHED
PLACE OF BUSINESS**

1. Each person seeking to be or already duly licensed as a new or used vehicle dealer under the CODE shall maintain an established place of business which shall, in addition to those requirements in Section 5-100 of the Illinois Vehicle Code, meet the following requirements:
 - (A) Is regularly occupied for the primary and principal purpose of selling, buying, bartering, exchanging or dealing in vehicles; and
 - (B) Has on display, vehicles held for sale, resale or exchange; and
 - (C) Have office facilities in a building for maintaining and keeping books and records as are required. The office facilities shall be permanently mounted on a fixed foundation and may not include a trailer with axle attached and still moveable. It may include, however, a house trailer, in a licensed mobile home park or dealership lot, with tires removed and utilities attached.
 - (D) Have posted on the front entrance door a sign setting forth the days and regular and reasonable hours when open for business.
2. Each such person shall also have facilities within such established place of business to carry out and honor warranties or undertakings made to buyers or vendors and to place such vehicle in safe operating condition. However, the dealer may meet this requirement by a written contract for the use of and by using a nearby established repair shop or garage.

Amended: P.38, Mar. 27, 1981



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3. An established place of business shall not include:

Residence tent;

Temporary stand;

Temporary address;

Office space;

Room or rooms in a hotel, rooming house or the premises occupied by a single or multiple unit dwelling house.

4. The office space used by a dealer must be properly and permanently equipped with the necessary office equipment and machines, and documents and papers adequate to properly conduct business as a dealer and must be within a permanent building or structure.
5. Each established place of business must be equipped with an operating telephone for inbound and outbound calls and adequately equipped with operating electric lights.

Amended: P.38-1, Mar. 27, 1981

6. The name of the dealership shall be posted on the front entrance door and in one other conspicuous place within the dealership salesroom.
7. Each dealer shall post in a conspicuous place in the salesroom, a sign setting forth the days and regular and reasonable hours when open.

A dealership shall not be deemed as being open for business unless at least one employee, who is able to conduct regular business, is on the premises and available to the public and the dealership must be operated consistent with general

dealer practices.

8. LOT—The area not occupied by a building and shall be surfaced with rock or better surface material, and shall be properly illuminated, if open after sundown, so that vehicles for sale can be properly inspected by any prospective customer.

The lot used for the sale of vehicles shall be separate and apart from any other business. In addition, where a dealer is selling both new and used cars, the new cars shall be parked separately and apart from used cars.

The above lot requirement shall not be applicable where the place of business has an indoor showroom, properly illuminated, for the display of vehicles held for sale.

9. DEALERSHIP IN A DEPARTMENT STORE—Where a dealer maintains a place of business within a department store, the dealership shall be separate from other operations within the department store.

Amended: P.38-1, Mar. 27, 1981

10. SIGN - Display a permanent sign bearing the name of the dealership, which shall be properly illuminated if open after sundown and which shall be visible from the highway leading to the established place of business.
11. A federally required pricing document shall be displayed on all new motor vehicles held for sale.
12. If the premises is leased, it must be for at least the duration of the current license period.
13. (A) A licensed dealer may operate as an additional place of business, an exhibition area in a trade show or exhibition, provided:

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- (1) The licensed dealer has filed with the Office of the Secretary of State the forms and materials required by Section 5-101 of the Motor Vehicle Code and;
 - (2) The licensed dealer has provided the Secretary of State with a copy of the written contract with the agency or person or other entity sponsoring, creating, or supervising the trade show or exhibition for which application is made, or other acceptable evidence of the duration of the trade show or exhibition.
- (B) A license for an additional location granted for a trade show or exhibition shall in no event be valid for more than thirty (30) days from the date of the first day of the trade show or exhibition for which it is granted.
- (C) The Secretary of State shall waive all or part of the requirements of paragraphs 1 through 9 of this rule in granting to a licensed dealer a license for an additional place of business in a trade show or exhibition.
- (D) No license granted for an additional location in a trade show or exhibition may be transferred nor removed to another location.
14. Each person seeking to be or already duly licensed as a used parts dealer, scrap processor, automotive parts recycler or rebuilder under the Illinois Vehicle Code shall maintain an established place of business which shall meet the requirements contained in number 1. above, except that no lot as set forth in number 8. above is required. However, if open after sundown, the premises shall be adequately illuminated so that prospective purchasers may inspect the items held for sale.
15. None of the requirements of this rule shall apply to the place

of business of a vehicle auctioneer licensed under Chapter 5, Article VII of the Illinois Vehicle Code.

Amended: P.38-2, Mar. 27, 1981

Rule 1010.240

DEALER PLATES

1. Special Plates issued to a Dealer may be displayed upon any vehicle held for sale or resale, and
 - (a) Upon any such vehicle for any legal purpose including pick-up at the point of manufacture or assembly, demonstrating, testing or for delivery to the buyer.
 - (b) On any such vehicle loaned, but not rented, as a "loaner" to a customer for temporary use the days that his car is being serviced or repaired.

Amended: P 21-5, Nov. 1, 1971

- (c) On one truck up to 8,000 pounds owned by the dealer and used to haul his parts incidental to the operation of his business.
2. Special plates issued to a dealer may not be displayed:
 - (a) Upon any vehicle rented to another person.
 - (b) Upon any vehicle of the second division carrying cargo or merchandise except as provided herein.
 - (c) Upon any work or service vehicle.
 - (d) In any for-hire movement.
 - (e) On any vehicle used permanently as a personal vehicle and not as a demonstrator, such prohibited uses being defined as follows:

- A. On any vehicle used by any person enrolled at and attending an educational institution during the school term or year and to and from school.

Amended: P.21-6, Nov. 1, 1971

- B. On any vehicle used on vacation trips to areas outside the geographic scope of normal business for a period in excess of 25 days.
- C. On any vehicle used by any person who is a member of the armed forces and stationed at any military base or encampment or installation.
- D. On any vehicle used continuously for 25 or more days as a personal vehicle by any person not an agent, servant or employee of the dealer owning such special plate.

3. Dealer Plates and One-Trip Use

Notwithstanding the above limitations, Dealer Plates may be used on a one-trip demonstration basis by a prospective bona fide buyer and carrying cargo or merchandise, providing that the form of document specified herein is carried in the cab of the vehicle. Any demonstration movement shall be limited to a period of 3 days.

Amended: P.21-7, Nov. 1, 1971

Each dealer who wishes to grant to a prospective bona fide buyer the use of a dealer plate on a one-trip demonstration for three days shall prepare a document identical to this form in duplicate, and

1. Retain one copy in the offices of the dealer.
2. Issue one copy to the user for display on the vehicle.



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(Date)

1. Name of Dealer:
2. Address of Dealer:
3. Dealer Plate or plates being used:
4. Name of prospective buyer:
5. Date use is to begin and end:

Each dealer shall file an annual report listing the name of each prospective buyer permitted to make a demonstration trip with a vehicle identifying the plate number utilized and the dates that the demonstration trip began and ended. The Secretary of State may prescribe the form of such report.

Amended: P.21-8, Nov. 1, 1971

The Secretary of State may, in addition, grant in his discretion, a permit for a one-trip demonstration in excess of 3 days upon application therefor and showing of good cause.

Amended: P.21-9, Nov. 1, 1971

Rule 1010.250

DEALER PLATE RECORDS

The dealer ledger book shall also contain a record of the assignment of dealer plates to employees of the dealer and a written record of the persons to whom the dealer has sold driveaway decal permits.

Amended: P.22, Dec. 15, 1970

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